

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF LAKEWOOD VALLEY)	
DEVELOPMENT COMPANY FOR AN ADJUST-)	
MENT OF RATES PURSUANT TO THE)	CASE NO. 8908
ALTERNATIVE PROCEDURE FOR SMALL)	
UTILITIES)	

O R D E R

IT IS ORDERED that Lakewood Valley Development Company ("Lakewood Valley") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by November 27, 1983. If neither the requested information nor a motion for an extension of time if filed by the stated date, the case may be dismissed.

It is the policy of this Commission to allow only known and measurable increases to actual test year expenses which can be substantiated by submitting a copy of invoices and other related material in support of the increase to the actual expense.

1. Provide a copy of your response to the Consumer Protection Division of the Attorney General's Office letter dated October 28, 1983.

2. Provide a copy of the negotiated contract which would substantiate test year expense of \$3,900 related to

routine maintenance service. The document should provide the following information:

- a. Name of company rendering the service.
- b. Monthly fee.
- c. Itemized list of routine maintenance services provided by the company.
- d. Period of the contract.

3. Provide the calculations to support the pro forma adjustment of \$435 to depreciation expense and relate it to the depreciation schedule attached to the application.

4. Provide itemized invoices from your accountant and attorney listing their services and expenses to date, also, provide an estimate of any additional expense by item they expect to incur in the preparation of this rate application.

5. On page 8, line 33, of the 1982 Annual Report of Lakewood Valley, Lakewood shows that it earned interest and dividend income of \$576 during the test period. Were these earnings derived from investments of sewer revenues?

6. Provide a copy of the invoices for the following test year expenses:

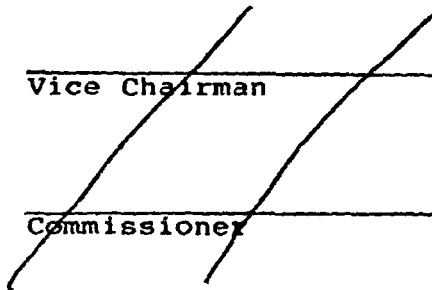
- a. Utility service-water (\$1,200).
- b. Chemicals (\$245).
- c. Testing (\$466).
- d. Property taxes (\$178).
- e. Maintenance of treatment and disposal plant (\$2,384), (limited to invoices of \$50 and over.)

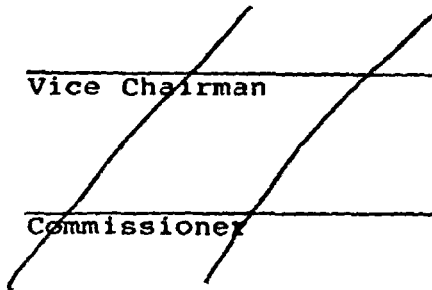
- f. Miscellaneous Supplies (\$357), (limited to
invoices of \$25 and over.)

Done at Frankfort, Kentucky, this 9th day of November, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary